

JPRS 78670

4 August 1981

Latin America Report

No. 2348



FOREIGN BROADCAST INFORMATION SERVICE

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4 August 1981

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BRIEFS

ECUADOREAN OIL SALES--Ecuador has agreed to sell crude oil to Uruguay. According to the ANCAP [National Fuels, Alcohol and Cement Administration] director, the amount of oil to be purchased will cover approximately one-fourth of domestic consumption. [Montevideo El Espectador Network in Spanish 1600 GMT 11 Jul 81]

CSO: 3010/1593

BRIEFS

FUEL PURCHASES RESUMED--Attorney Ramon Medina Luna, vice economic minister for affairs of integration, announced that "Honduras has decided to renew its fuel purchases from Venezuela and Mexico." The government called to mind the implications of a possible violation of the International Financing Agreement signed with the two traditional supplier countries of reconstituted petroleum and end products. Medina Luna told reporters that the arrival of 75,000 barrels of diesel oil from Saudi Arabia is expected tomorrow or Thursday of this week. There is some hope that the rationing of diesel oil will end with the distribution of the shipment. The official was skeptical about supply problems with gasoline and propane. "There should certainly be no problems with them for the time being," he said. The vice minister assures that rationing could be lifted within 1 or 2 weeks, considering imported fuel, as well as a shipmer: from Venezuela arriving here within 15 days. The initial shipments are exclusively from Venezuela, since the trip requires 6 days, compared to double that time for a shipment from Mexico. Medina Luna believes that there is no violation of the International Petroleum Agreement, because Honduras enjoys some flexibility in fuel supplies, once the assigned quota is considered. To date our country has consumed 200,000 barrels of Mexican crude. The official abstained from either confirming or denying negotiations between the government and Texaco Refinery toward purchasing refining installations located in Puerto Cortez. [Text] [San Pedro Sula LA PRENSA in Spanish 30 Jun 81 p 2] 9746

CSO: 3010/1538

PERUVIAN DAILY DOUBTS CHILE'S REENTRY INTO ANDEAN PACT

PY141653 Lima EXPRESO in Spanish 21 Jun 81 p 20

[Editorial: "Chile and the Andean Pact"]

[Text] The Chilean Government--through leading spokesmen such as Foreign Minister Rene Rojas--has indicated its interest in rejoining the Andean Pact, if eventual readjustments are made to the controversial decision 24, which governs the treatment of foreign capital within the subregion.

We do not intend to ignore that from the standpoint of Latin American unity and of cool economic considerations, Chile's incorporation will certainly strengthen, in principle, the above integration group. Regrettably, Chile withdrew from it more than 5 years ago in a sovereign decision which we, however, consider questionable.

The reincorporation of our southern neighbor would, however, require some renunciations in the economic policy implemented there by the "Chicago boys" team under the guidance of Finance Minister Sergio de Castro. This policy is based on extremely liberal, Friedmanian-type models which are not compatible with the agreements on international labor devision, industrial reciprocity, the common external tariff--minimum and maximum--and so forth, prescribed in the Cartagena agreement.

Therefore, unless Chile makes essential changes to the economic scheme it has adopted, its reentry into the Andean Pact as full member would not be feasible since, although the Cartagena agreement already needs some readjustments to acquire greater flexibility, it is essentially contrary to the Chilean ultraliberal scheme.

Any measures that Chile--one of the pact founders--might take to facilitate its reentry into that important integration movement, in keeping with the eventual updating of the subregional organization, will certainly be welcome. But while those necessary conditions are not met, we consider Chile's return to the pact as unfeasible.

CSO: 3010/1593

ARLABANK INCORPORATES SHAREHOLDERS, INCREASES CAPITAL

PY090345 Buenos Aires TELAM in Spanish 0508 GMT 5 Jul 81

[Text] Lima, 4 Jul (TELAM)—The ARLABANK (Arab-Latin American Bank) has announced that as of 1 July it has incorporated new shareholders.

They are: the Arab Banking Corporation and the National Bank of Bahrain [given in English]. Thus there are now 27 financial organizations from the 18 countries that created the bank in 1977.

The Arab group continues to hold 60 percent of the shares and Latin America 40 percent.

The new shareholders were incorporated during the session that was held in April. During the same session the bank's capital was increased to \$200 million, which has been fully paid up.

The ARLABANK, a multi-national organization that operates in the extensive field of the merchant banks of an international nature, was created with the intention of establishing a solid bridge between Latin America and the Arab world.

The bank is based on the cooperation that seeks reciprocal benefits between the countries of the two regions through the promotion of financing, investment and trade between the Arab world and Latin America.

In the 3 years that it has been in existence, the ARLABANK has achieved total assets that surpass \$1.5 billion and it undertakes an important role in the international monetary markets, in the financing of projects and in commercial bank operations.

CSO: 3010/1593

DISAPPOINTMENT EXPRESSED WITH RECENT CGCED MEETING

FL030027 Bridgetown CANA in English 2358 GMT 2 Jul 81

[Text] St Johns, Antigua, 2 Jul (CANA)--Antigua has expressed its disappointment with the outcome of last week's meeting in Washington of the Caribbean Group for Cooperation in Economic Development (CGCED).

"I really don't get the feeling that a lot was achieved at this meeting," Information Minister Hugh Marshall told a press conference. Mr Marshall said that he believed it was to the greater benefit of the donor countries, who approach it as a public relations exercise, to demonstrate to the world that they are giving aid to the Third World.

Referring to the Willy Brandt report on the North-South dialogue, Mr Marshall said that if the observations and recommendations in that report were taken into consideration by the aid donors it would not be necessary for ministers of government in the region to journey to Washington. "I would say to you that one of the thinkings in our ministry of economic development is that we are looking at the idea of whether or not we should continue to be represented at this particular type of meeting in Washington at ministerial level," the minister said.

Mr Marshall observed that the political clout is not getting the Caribbean countries more than what the aid donors are prepared to offer. The donors should have been prepared to contribute more, he added.

He said too that aid donors should be more responsive to the needs of the Less Developed Countries [LDC] of the Caribbean. "While the donors should be more responsive to the LDC's requirements two other factors also influence the inadequate flows of aid which emerge from the Caribbean group meeting," he said.

Marshall said that the first of these factors is the structure of the meetings do not permit dialogue, and the second is that the LDC's must produce well documented projects to the aid donors. "Both of these factors require examination and change," he said and Antigua intended to propose to the LDC's that these changes should be implemented. Provided that there is concurrence from the LDC's, Antigua would carry this proposal to the World Bank, Mr Marshall stated.

CSO: 3025/1023

BRIEFS

WORLD BANK URGES DIVERSIFICATION--St Johns, Antigua, 3 Jul (CANA)--Antigua's economy grew 3 percent last year but it has been told by the World Bank that it should diversify the economy away from tourism, Information Minister Hugh Marshall has said. Mr Marshall told newsmen yesterday that the bank had recommended in a report that agriculture be revitalized, summer tourism be improved and agriculture be stimulated if Antigua should remove its heavy reliance on winter tourism. The minister said that the bank had congratulated Antigua on the good management of its economy. The report was discussed by aid donors during last month's meeting of the Caribbean group for cooperation in economic development. "It noted that the financial situation had improved significantly and commended the government for the introduction of fiscal measures which would have a beneficial effect on the economy, including a balanced budget during 1981," Mr Marshall said. [Text] [FL031251 Bridgetown CANA in English 0957 GMT 3 Jul 81]

LOAN FROM TRINIDAD-TOBAGO--St Johns, Antigua, 14 Jul (CANA)--Antigua is to receive a loan of 10 million dollars (1 EC dollar; 37 cents U.S.) from the Trinidad and Tobago Government. This was disclosed by Mr Hugh Marshall, minister in the Ministry of Economic Development, Energy and Tourism, on return from a 2-day visit to Port of Spain. According to Mr Marshall, the money will be used to improve the country's water supply system--purchase and installation of pipes across the island and construction of two water storage tanks. [FL150100 Bridgetown CANA in English 2350 GMT 14 Jul 81]

OFFSHORE BANKING--St Johns, Antigua, 14 Jul (CANA)--Antigua wants to enter the international banking business and is encouraging the setting up of offshore banks here, Finance Minister John St Luce said today. Mr St Luce told newsmen that the island intended to tread cautiously, in view of the controversy which had developed over the operations of such institutions in the Caribbean. Antigua's legal department was presently studying various draft bills and laws of other countries relating to international banking, the minister added. Asked whether the government has any plans after it becomes independent on 1 November for the setting up of a central bank, the minister said "no." [FL150100 Bridgetown CANA in English 2358 GMT 14 Jul 81]

BRIEFS

NEW UK DEFENSE ADVISER--Commander Hugh Peers, Royal Navy, arrived in Nassau 3 July to relieve Commander Brian Gallagher as the defense adviser to the British High Commissioner. He took up his post on 13 July. Commander Peers also assumes the duties of naval adviser Caribbean and Royal Navy liaison officer Caribbean. [Excerpt] [FL221830 Nassau THE TRIBUNE in English 16 Jul 81 p 1]

C50: 3025/1023

ADVOCATE-NEWS ATTACKS BISHOP REGIME REPRESSION

FL201828 Bridgetown CANA in English 1641 GMT 20 Jul 81

[Text] Bridgetown, Barbados, 20 Jul (CANA)--The ADVOCATE-NEWS said today that after all the euphoria and goodwill extended to the Maurice Bishop regime immediately on coming to power in Grenada in 1979, Caribbean people were today seeing the true implications of the "revolution" in the spice isle. In an editorial motivated by recent criticism of alleged human rights abuses in Grenada, first by the deputy prime minister of St Vincent, Hudson Tannis, and later by the ruling Dominica Freedom Party, the paper remarked that the "once silent" Caribbean leaders were realizing that there were a lot about the Grenada situation to speak out against.

However, Mr Tannis himself came for a bit of chastisement from the paper for couching his criticism in what is called "patronizing terms." He had admitted that though there was in fact evidence of human rights violations in Grenada, this was a matter solely for Grenadians to handle. The St Vincent deputy prime minister had also remarked that if the Grenada Government believed that it was in the national interest not to charge and try many of the persons it was now detaining, it was not for people in any other part of the Caribbean to question it.

Said the ADVOCATE-NEWS: "We submit that any such approach by any Caribbean government should be questioned. We need to face up honestly to wrongdoing. We cannot afford to be lukewarm about such matters by covering them under a convenient blanket of "national interest." The paper noted that Mr Bishop had already taken offense to the forthright condemnation of his government by the ruling Dominica Freedom Party.

"It might well be conscience reaction," the ADVOCATE-NEWS said, "when we know we are wrong we are more likely than not to hit out in defense of our position." The paper stressed that the rule of law is a sine qua non in any civilized society, whereby persons accused of a crime or offenses are given the opportunity to defend themselves at a fair trial.

"As an attorney-at-law, Mr Bishop knows only too well the importance of the rule of law. His legal training will not easily permit him to discard the discipline of the law with which he is familiar. That is why he behaves the way he does when he comes under criticism," the paper added. It said that it anticipated another of Mr Bishop's customary tirades within the next few days, but pointed out that it was the Grenadian leader himself who was isolating his country from the rest of the region by his policies and behaviour, and not the mass media as he had charged.

CSO: 3025/1023

BRIEFS

'INTEGRATED DEAL' WITH TRINIDAD--Bridgetown, Barbados, 9 Jul (CANA)--Prime Minister Tom Adams said in an interview published today he hoped that Barbados would soon complete an "integrated deal" with Trinidad and Tobago involving this country's abundant limestone and Trinidad's steel industry. The NATION newspaper quoted Mr Adams as saying in New York that Barbados wanted to supply lime to Trinidad and Tobago's steel plant and in turn purchase "substantial quantities of billet steel. "We are in a situation in which there is a greater demand for these slightly heavier industrial products than our (structural steel) factory (in Barbados) can supply," Mr Adams told the NATION. He said the government's industrial expansion strategy was now moving from light to heavier industry. "We are still negotiating with a chemical plant to make simple industrial chemicals. Private enterprise is being encouraged to expand the different types of steel fabrication that exist," the minister said. He noted that this pattern of development would continue to make severe demands on the island's electricity supply. [Text] [FLO92215 Bridgetown CANA in English 2148 GMT 9 Jul 81]

CSO: 3025/1023

HOUSING MINISTER RESIGNS, BLAMES FUNDING

PA141535 San Jose Radio Reloj in Spanish 1200 GMT 14 Jul 81

[Text] Lack of funds was the cause for Carballo Wedel's resignation. On presenting his resignation, Housing Minister Jorge Carballo Wedel said: I must admit with sorrow that the priority of the housing problem has not been accepted and that national efforts are still directed toward traditional sectors.

Carballo Wedel explained that after great efforts the ministry managed to interest private enterprise in the low-cost housing market, with the executive branch guaranteeing a system for mortgage allotments on those houses, and explained the program to the low-income families. He added that, however, he is now in a difficult position due to the lack of funds.

In his resignation, Engineer Carballo Wedel said: We drafted an ambitious plan and made financing arrangements and insisted that the institutions and enterprises accelerate it as much as possible for the benefit of the families in need of housing. To do this we had to accept serious commitments which, added to the lack of decisions regarding solutions we presented in the bill for creation of a national fund, makes us believe that there is nothing else to do.

lastly he added: Without funds, decisions or a bill to fight for at the Legislative Assembly, I believe that it is inconvenient for the country to continue maintaining an office that, under the present circumstances, has no reason for being.

CSO: 3010/1591

RULING PARTY CRITICIZES GRENADA GOVERNMENT

FL182141 Bridgetown CANA in English 2119 GMT 18 Jul 81

[Text] Roseau, Dominica, 18 Jul (CANA)--Grenada's leftwing government today received a heavy verbal lashing from Dominica's ruling Freedom Party for alleged abuses of human rights. In a statement, the Freedom Party of Prime Minister Eugenia Charles said it found the human rights situation in Grenada offensive and felt that the people should not be deprived of such rights because of ideological folly. The party called for free and fair elections in the spice island at the earliest possible date.

The Grenada Government came into office in March 1979, following the armed overthrow of the administration of Prime Minister Sir Eric Gairy.

The Freedom Party listed the alleged abuses of freedom as the refusal to hold promised elections, the detention of people without trial and the curtailment of press freedom. The statement released here today following a Freedom Party meeting said (text):

"Ever since the overthrow of the elected government of Grenada by the people's revolutionary group led by Maurice Bishop, we the Dominica Freedom Party have watched developments in Grenada with increasing concern.

"Because our sympathies have always been with the people of Grenada and not necessarily with any government of any particular color, we too welcomed whatever measure of relief that a mere change of ruling regime then offered.

"Such sympathy was to a large degree enhanced by the promise made by the leaders of the revolution to hold free and fair elections at an early date.

"During the months since 13 March 1979, not only have this basic promise, indeed obligation, remained unfulfilled but an enlarging octopus has been stealthily enforcing its grip over life on the island, thus adding urgency to our concern.

"In this connection, we list a few of the affected areas as follows:

The refusal to hold free and fair elections on the island.

The continuing detention of persons without trial.

The curtailment of free movement of nationals in and out of Grenada.

The curtailment of press freedom.

"We the Dominica Freedom Party now go on record as being against such continuing violations of the human rights and freedoms of the people of Grenada and do hereby strongly condemn both their arrival and perpetuation.

"We also seriously deplore the adverse social and economic consequences to the rest of the region which the generally offensive Grenada situation is causing, and hereby state our unwillingness to endure such deprivation for the sake of ideological folly.

"Accordingly, we call on the revolutionary government of Grenada to immediately indicate some concern for the democratic rights and freedoms of the people of Grenada and to cause free and fair elections to be held on the island at the earliest possible date." (End of text)

CSO: 3025/1023

BRIEFS

OPEC RECONSTRUCTION LOAN--Roseau, Dominica, 22 Jul (CANA)--Dominica is to receive 2 million dollars (U.S.) interest-free loan from the Organization of Petroleum Exporting Countries (OPEC), spread over a 2-year period, it was officially announced here today. A press release from the Government Information Service said the money was for balance of payments support. It is the second such disbursement made to the Dominican Government by OPEC. The first was received last year. "The money was given to government in recognition of its needs and the proper use made of the first amount," the release said. Most of this money, the release said, will be used in the reconstruction of roads extensively damaged by hurricanes in 1979 and last year. [Text] [FL221955 Bridgetown CANA in English 1919 GMT 22 Jul 81]

FISHERIES PROJECT ASSISTANCE--Roseau, Dominica, 21 Jul (CANA)--The Barbados-based Caribbean Development Bank (CDB) is providing technical assistance to the Dominica Government through its International Fund for Agricultural Development (IFAD) project. Project officer responsible for fisheries development, Mr A. P. Holness, has arrived here to advise the government on worthwhile projects to pursue in the area of fisheries. The CDB official will visit the fishing areas of Marigot, Calibishe, Scotts Head and Pointe Michel. The IFAD project is a 2.24 million dollar (U.S.) project aimed at increasing food production and providing assistance for agriculture related services. A number of beaching sites for fishing boats have been identified for improvement under the project but, because of the absence of fisheries division staff, the CDB was approached for the services of a fisheries expert. [Text] [FL212227 Bridgetown CANA in English 2214 GMT 21 Jul 81]

CSO: 3025/1023

COARD WARNS AGAINST MEDDLING IN INTERNAL AFFAIRS

FL201833 Bridgetown CANA in English 1623 GMT 20 Jul 81

[Text] St Georges, Grenada, 20 Jul (CANA)--Grenada will take a firm line against anyone who meddles in its internal affairs, Deputy Prime Minister Bernard Coard has said. "The moment you interfere in our business, it is a two-way street after that," he told Grenadian youths. "If you interfere in Grenada's business, after that is is open season and you get what you get."

Coard, who is also finance minister, was reacting to what the government-owned "Radio Free Grenada" called "recent attacks on the Grenada revolution by various governments." Coard did not pinpoint which governments had angered Grenada's left-leaning rulers, who came to power in a March 1979 revolution, toppling right-wing Prime Minister Eric Gairy. But the latest volley came from Dominica's ruling Freedom Party which called for the "early" general elections the People's Revolutionary Government (PRG) here had promised when it toppled Gairy. New Zealand had earlier blasted Grenada, describing the government as being unashamedly Marxist.

At yesterday's opening of a youth camp organized by the ruling New Jewel Movement (NJM), Coard said Grenada believed in the principle of nonintervention in the internal affairs of other states. Nobody can interfere in Grenada's affairs and expect that the PRG will not retaliate, he said.

From the early days of the revolution, the PRG had said it would not interfere with any other government, he told youths, who will be at camps scattered across the island with such names as "Steve Biko" (murdered black African freedom fighter), Walter Rodney (assassinated Guyanese opposition politician) and Che Guevara (Cuban revolutionary). "...Anybody who interferes in Grenada's business will have to feel the weight of the Grenada revolution," he said.

CSO: 3025/1023

COUNTRY JOINS IN CENSURE OF MULDOON REMARKS

FL171855 Bridgetown CANA in English 1809 GMT 17 Jul 81

[Excerpts] St Georges, Grenada, 17 Jul (CANA)--Grenada today lashed out at New Zealand and the United States and accused them of conveniently ignoring the issues of apartheid and racism. The government, in a statement, also said New Zealand Prime Minister Robert Muldoon's criticism of Grenada on the issue of the tour by the South African rugby club, was "petty and vindictive."

The government was reacting to Mr Muldoon's charge this week that Grenada had a government that was "unashamedly Marxist" while political freedom was virtually non-existent in Guyana. Grenada and Guyana are among commonwealth countries which want the venue of the commonwealth finance ministers conference in September changed from New Zealand because its government is permitting the spring-oks tour to go ahead on Sunday.

"The critical issues of racism and apartheid which are central and paramount to this controversy are conveniently ignored by the Muldoon administration and by the Ronald Reagan administration which has already agreed to the South African rugby tour of the United States," the Grenadian statement said. "Is it because both administrations condone the vicious racial exploitation and oppression practiced daily against black people in the United States and New Zealand?" the statement asked.

"With amazing haughtiness and arrogance not unlike that displayed by his racist South African friends," it continued, "Robert Muldoon has laid exclusive claim to ownership of the commonwealth with a notorious statement: It was our commonwealth long before it was the commonwealth of other countries."

"Is he implying that commonwealth countries in Africa, Asia and the Caribbean are second class members of this August international body, that our rights are inferior to those of the so-called founders of the commonwealth, and that we should keep silent on all the important issues that affect commonwealth relations?" the statement asked.

CSO: 3025/1023

BROADCASTING ASSOCIATION REQUEST FOR MEETING REJECTED

FL221732 Bridgetown CANA in English 1658 GMT 22 Jul 81

[Excerpts] St Georges, Grenada, 22 Jul (CANA)--Grenada today rejected a request from the Caribbean Publishing and Broadcasting Association (CPBA) for a meeting with Prime Minister Maurice Bishop, to discuss alleged press freedom abuses here.

In a statement today the People's Revolutionary Government (PRG) here said no useful purpose would be served by a meeting between the prime minister and the CPBA, described as "an unholy alliance of regional media magnates. Said the statement: "The PRG of Grenada views the recent attack on our revolution by the CPBA, that unholy alliance of regional media magnates, as a predictable response from a corporate group opposed to a genuinely free people's mass media in the Caribbean."

"The Grenadian was not set up as a medium through which the working people, the youth, women, students, farmers and fishermen of our country could express themselves freely. It was established to disseminate the views and ideas of a minority of big businessmen, planter and reactionary lawyers with links to the CIA, not to the broad masses of Grenadians. Theirs is not the voice of the people. Theirs is the voice of unpatriotic elements opposed to peace and social progress and bent on giving full support to the CIA plan of turning back our people's revolution.

"The request by CPBA President Oliver Clarke, managing director of the infamous Jamaica DAILY GLEANER (which played a key role in the downfall (October 1980) of Michael Manley's government) to meet with Prime Minister Bishop 'to discuss these issues with a view to possible solution' is arrogant, hypocritical, ironic and contemptible. No useful purpose can be served by such a meeting."

"The people of the Caribbean should be informed that Oliver Clarke is not only president of the CPBA, but also a vice president of the Inter-American Press Association, a conglomeration of right-wing, anti-democratic newspapers with close ties to the CIA.

"Let it also be known that this same association worked assiduously to overthrow the democratically-elected Chilean Government of Salvador Allende and put in its place the brutal, fascist Pinochet dictatorship, which today consistently violates all the human rights that the Chilean people should enjoy."

CSO: 3025/1023

BRIEFS

COOPERATION WITH NORWAY--Georgetown, Guyana, 18 Jul (CANA)--Guyana and Norway have signed a memorandum of understanding based on economic, industrial and technical cooperation, according to an announcement here. The two countries have agreed, in the document, to explore possibilities for cooperation in such areas as shipping, offshore petroleum activities, hydroelectricity, forestry, construction and housing, fisheries, petro-chemicals, consultancy services and training. [Text] [FL182241 Bridgetown CANA in English 2221 GMT 18 Jul 81]

CSO: 3025/1023

WASTE, CORRUPTION ROOTS OF PRESENT CRISIS

San Pedro Sula LA PRENSA in Spanish 1 Jul 81 p 4

[Text] "The country's difficult economic situation is largely the product of waste, excessive government spending, too much growth of this government in relation to its income, and the corruption of many public officials, both civilian and military," stated Attorney Jorge Bueso Arias, former liberal candidate for the presidency of the republic.

He added that "Only someone lacking even an iota of civic courage can fail to denounce the corruption seen in many places, and we, the Hondurans, have to see about stopping or correcting it."

Referring to the measures taken by the government in Decree 14, he said: "They definitely are not justified."

He stated that it is extremely difficult "to recommend measures which could be taken to solve the present problems of the government, because in order to do that one needs to know exactly what is happening in public administration and be familiar with expenses. Nevertheless, the first thing that must be done is reduce spending. The government, instead of just preaching austerity, should set an example."

"The surge in autonomous institutions is notorious, and they, along with the entire government, constitute a very heavy burden for the Honduran people, especially for us taxpayers, who finance government spending through our taxes. It is not right that the private sector is being affected in order to justify rapid and vigorous government expansion," said the banker.

He indicated that the impact of Decree 14 on the country's economy should be analyzed from two perspectives: its direct effect and its indirect effect. "The indirect effect refers to the fact that international treaties, especially bilateral commercial treaties, are in the government's capacity. This is absurd, because our country signed the Treaty of Vienna, which states that internal treaties cannot have precedence over international treaties," said Bueso Arias. "And this has brought reprisals in that the borders have been closed to Honduran products, affecting the industrial sector which concentrates its production and marketing for the Central American region."

"The direct effect is manifested in a price rise for some articles, for raw materials, machinery and spare parts, which raises the cost of production."

Bueno Arias added that in order to avoid the application of such drastic measures as in Decree 14, "There is no other way than to reduce spending, including investments in projects not immediately necessary. Excessive spending cannot be justified when income is less than that budgeted."

He ended by saying that "The effect of Decree 14 has definitely been harmful because the entire impact has been negative, but also because the government has not had the agility to solve the problems created by neighboring countries, especially those buying our products. I would say that to date the effect of Decree Number 14 has been harmful. Beyond that I do not know."

9746

CSO: 3010/1538

CUBAN RADIO RELOJ INTERVIEWS PNP'S MICHAEL MANLEY

FL031603 Havana Domestic Service in Spanish 1417 GMT 3 Jul 81

[Text] Michael Manley, former prime minister of Jamaica and top leader of the People's National Party (PNP), has asserted that the successes of the Sandinist revolution have a profound significance for the region, and that the revolutionary leaders are acting with great wisdom and moderation. Upon his return from a visit to Nicaragua, the Jamaican leader granted an exclusive interview to Radio Reloj a few minutes before boarding the plane which would take him back to his fatherland.

Elsewhere in the interview, he stated that there are elements in the private sector which are not cooperating with the Sandinist process, despite the fact that the revolution's leaders have invited them more than once to help in rebuilding the country. Manley said that all sensible and intelligent forces in the world must remain alert and ready to defend the Nicaraguan revolution from any type of intervention.

Manley stated that the announced U.S. Government's plan of economic cooperation for the Caribbean and Central America will only worsen the situation of the peoples. The PNP top leader pointed out that this cooperation plan will increase the Caribbean and Central American economies' dependence, and warned that it will create more unemployment in the region. The former Jamaican prime minister said that the International Monetary Fund (IMF) attempted to impose on his government conditions prior to granting loans that if accepted, would have severely harmed his people's interests.

Manley said that the IMF has not imposed those same conditions on the present Jamaican Government, which has the U.S. administration's approval. Manley stressed that he was very pleased with his meeting with Fidel, during which they talked about various topics and, especially, about the prevailing world economic situation.

When commenting on what is going on in El Salvador, Manley stated that he is impressed by the firmness of the Salvadoran revolutionary leaders, and called for offering them the most determined support in their just cause. Manley noted that the U.S. decision to create and support the Salvadoran governing junta is a very grave step, and that we all bear the responsibility of denouncing it. Manley praised the Mexican Government's firm attitude and, very especially, of its President Jose Lopez Portillo in international affairs, and, essentially, in those related to the Third World.

CSO: 3025/1023

DAILY URGES ISOLATION OF GRENADIAN REGIME

FL141615 Kingston DAILY GLEANER in English 9 Jul 81 p 6

[Editorial: "Act on Grenada Now!"]

[Text] The time has come when the leaders of the commonwealth Caribbean must make a decision on Grenada. No longer can independent Jamaica, Barbados, Trinidad, St Lucia, Dominica, St Vincent and the rest of the region about to be independent continue to recognize the Bishop regime and act as though all is well in Grenada.

If any spur were needed to rouse them from their apparent disinterest or apathy on this matter, then the event of last weekend must serve as a sharp reminder of the odiousness of the Bishop regime. Not content with having repressed the latest attempt at free public expression in the island--with the closing down of the one-issue-old newspaper the GRENADIAN VOICE--the dictatorial Bishop government denied freedom of travel to its editor-publisher, one of the most reputable and respected journalists in the region, Alister Hughes, who wished to leave Grenada on official business in his capacity as executive secretary of the Caribbean Press Council.

Coming on top of all the previous abuses of freedom which the undemocratic Bishop regime has heaped on the hapless people of Grenada, this latest example of repression must surely force the commonwealth Caribbean leaders to a serious decision on future relations with Mr Bishop. There can hardly be any reason now to continue to treat the Bishop government as though it were a respectable administration. In the name of democracy, it needs to be ostracized, to be isolated from the commonwealth Caribbean community.

How can the decent, properly-elected governments of the region continue to associate with this illegitimate regime? How can government ministers continue to go to Grenada for meetings, as did the foreign ministers including our own minister of state last week? As that poignant anonymous letter that came out of Grenada last week--that cry from the heart of a West Indian compatriot in distress--asked, what were the foreign ministers doing there? What, indeed? Giving aid and comfort to one who denies freedom to his own people?

No, there can be no longer any ambivalence on the question of Grenada. The Bishop regime must be put under pressure by the commonwealth Caribbean leaders to restore Grenada to democracy or face complete and utter isolation, to be treated like the social and political leper that it is.

CSO: 3025/1023

JBI ANNOUNCES 1980 BAUXITE-ALUMINA EARNINGS

TL182308 Bridgetown CANA in English 2251 GMT 18 Jul 81

[Excerpts] Kingston, Jamaica, 18 Jul (CANA)--Jamaica Government earnings from the island's bauxite-alumina industry for 1980 will be 205.8 million dollars (U.S.), according to calculations by the Jamaica Bauxite Institute (JBI). The institute said the bulk of the money--202.6 million dollars--derives from the bauxite production levy, with royalties providing the remaining 3.26 million dollars.

The JBI said Jamaica's 1980 earnings from the industry were based on an average realized price of 75.18 cents (U.S.) per pound of aluminium ingot, which gave the government 20.75 dollars on each long ton of bauxite produced. That figure was fractionally more than the 20.54 dollars which the JBI had forecast Jamaica would earn on each ton of bauxite and upon which is based the quarterly payments by the bauxite companies.

Bauxite production was slightly less than 12 million metric tons last year, more than 3.0 percent higher than in 1979 when earnings by the government were 194 million dollars (U.S.). The Bauxite Institute said that based on its recommendations, the gazetted ingot price for this year was being calculated at 78 cents per pound. In the first quarter, actual average realized price by the four companies on which projects were made was 76.5 cents, though listings on the aluminium merchant market were as low as 60 cents a pound.

CSO: 3025/1023

BRIEFS

JAPANESE BUSINESS TEAM--Kingston, Jamaica, 15 Jul (CANA)--A 10-member Japanese business team is in Jamaica looking at investment opportunities for the production of the island's choice Blue Mountain coffee, which is generally regarded as among the finest in the world. According to the Official Agency for Public Information (API), the mission is sponsored by the Japanese International Corporation Agency (JICA)--the Technical Cooperation Department of the Japanese Foreign Ministry. The group held discussions yesterday with parliamentary Secretary for Agriculture Astil Sangster. Discussions will also be held with officials of the ministries of industry and commerce, and foreign affairs and foreign trade as well as a visit to the Blue Mountain region where the coffee is grown. The mission leaves next week. [FL160109 Bridgetown CANA in English 1640 GMT 15 Jul 81]

CSO: 3025/1023

REVOLUTION'S SUCCESS TIED TO PROBLEM RESOLUTION

PA151940 Managua Sistema Sandinista Television Network in Spanish 0300 GMT 13 Jul 81

["In Depth" program with guests Jaime Montealegre, vice president of the Nicaraguan Development Institute and executive secretary of the Higher Council of Private Enterprise; Edmundo Jarquin, economic adviser of the Planning Ministry; and moderator Angela Cevallos--live]

[Excerpts] [Montealegre] [Words indistinct] We believe that the success of the Nicaraguan revolution will be measured specifically in terms of whether or not it solves the economic problems in Nicaragua. On this will depend the solution of the social problems which we recognize. [Words indistinct]

In specific terms, we believe that the main problem lies in the fact that the mixed economy area has not been defined. It is said here that we have a mixed economy but in abstract terms we can say that all the economies of the world are mixed economies. Even in the Soviet Union there is a small and increasingly more efficient private property. It also exists in Cuba. The problem in Nicaragua is that we have not specified the rules of the game. We have not defined the private enterprise and government areas in the economy. We don't have a legal framework defining this so that laws can be enforced. There are campaigns against private enterprise. [Sentence indistinct]

As a result of all this, we are not solving the economic problems. We are (?living) on the basis of an increasing foreign debt [words indistinct] our debt will amount to almost \$500 million, next year the debt will amount to more than \$600 million, and the year after that it will be more than \$800 million. This can't be. We will have to either solve the production problem and begin to produce in Nicaragua or we won't be able to move ahead because we (?will have to) depend on what comes from abroad.

[Jarquin] [Words indistinct] spirit of Jaime's remarks to the effect that there is not a favorable climate for private enterprise. I would like to [words indistinct]. First of all, any analyst is surprised that the Nicaraguan private sector, the big business sector, doesn't react in a sufficiently positive way to the current government policy when in fact the government has undertaken a consistent policy of promoting and maintaining a mixed economy.

I don't want to argue this abstractly, so I will give specific examples. All of the investment and working capital needs of the private sector are being financed.

This is unprecedented in Nicaragua and, if I recall, in any other country. The private sector is not being discriminated against in the allocation of foreign exchange. In the first 5 months of 1981, \$252 million had been allocated for imports. Of this, \$181 million, or 72 percent, was for the private sector. The government was absolutely reasonable and we would say even liberal in its treatment of the private sector in its policy of financial reorganization.

It is opportune that we recall and that Jaime remember that at the request of the private sector and due to the government's understanding of the difficult economic situation of the country and therefore of the enterprises, both private and state-owned, a policy of financial reorganization was implemented which permitted the private sector to obtain terms of up to 10 years, interest rates that were lower than those of the international market, and the forgiving of all interests on delayed payments. This was a request by the private sector which the government accepted.

I have asked myself whether it isn't contradictory that some business sectors which demand a reconstruction period of 10 years for their enterprises aren't willing to give the government a similar period to reconstruct the great enterprise which is the country. I wanted to bring this up to indicate that the rules of the game (?are established).

[Montealegre] First of all I would like to thank you for the possibility that you have given me and all the viewers to (?learn about these figures). One of the most serious problems in Nicaragua is that the government handles everything related with figures and data on the economy as if they were matters of state security. We are already in July and we don't know the details of the 1981 budget.

In the (?middle) of last year, the Higher Council of Private Enterprise, COSEP, as a result of the decision of the (?secretariat) of the private sector, asked the government to enable us to participate in the board of directors of the state banks. This is a logical request. It occurs in other countries where banks have been nationalized. Today, more than a year after the letter was sent, no reply has been received. If we were members of these boards of directors--not having a majority representation but at least one delegate in those boards--then I would know if what Edmundo is saying is true or not. But unfortunately, the figures are not published and we are not given the opportunity to participate in the decision-making bodies.

[Words indistinct] in the granting of credits and favoritism toward the state enterprises. I could cite the investment figures in the government plan and you can analyze the 4 billion [currency not specified] budgeted this year for investments in the state enterprises and 600 million for private enterprise. I ask you: doesn't this clearly mean that the Nicaraguan Government is saying that it will use all means to favor state investment and not private investment since it [words indistinct]?

[Jarquin] We would like private investment to be several times greater than we are estimating for this year. [Words indistinct] and we have a policy of financing investment that is more liberal and with easier terms. This is unprecedented in Nicaragua. Interest rates on the international market are about 17 to 18 percent.

We are giving credit at 12, 13 and 14 percent. What the plan says is that based on estimates, we expect more than 600 million cordobas in (?real) investments. Why don't we expect more? It is not because we don't want more. It is because we understand that the private sector (?moves on the basis of expectations) and that the leaders of the private sector are creating a climate of negative expectations in the private sector to discourage economic activity in the country.

[Montealegre] Secondly, Edmundo unfortunately continues to give a picture that I wish was correct. The program establishes that this year we should import (?\$680) million and export (?\$650) million, but in reality we are going to export \$520 million. Private enterprise is not to blame for this. We don't only represent big private enterprise. We represent the big, medium and small-sized enterprise.

The government's bad economic policy is to blame. It has been unable to establish a [word indistinct], a favorable climate for investment by private enterprise. For example, the confiscations and expropriations had been [word indistinct]. We know of a good number of confiscations and expropriations. There is a law, Decree No 330 published in the GAZETTE on 29 February 1980 which regulates the procedures that must be followed in the cases of decapitization. That law has not been applied. Accusations are accepted as a proven fact.

All of these things don't lead to a climate of confidence. Moreover, [words indistinct] we Nicaraguans know that in the high-ranking leadership of the government there are many people with a Marxist-Leninist ideology whose final objective is obviously the elimination of private enterprise. When we put all these things together along with the Nicaraguans' knowledge that this ideology that advocates the elimination of private enterprise is supported at very high levels [words indistinct].

I am in favor of reducing imports as much as possible, but [words indistinct] the government has to try to reduce imports as much as possible because only approximately \$150 million has been programmed for consumption of goods this year. Therefore, the only solution this country has to move forward is to increase exports, increase production in general [words indistinct]. We can only achieve this if we end this climate of war which exists between one sector and another. Unfortunately, we cannot remove politics from the economy. All of the social problems in the country (?are creating a negative climate) for the economy. We need to create a climate of social peace.

[Jarquin] It is time that we analyzed a statement that Jaime has been repeating. Jaime is worried about the foreign debt. The government is also concerned about it. There is only one alternative to reduce the debt in the short term and Jaime as a good economist knows what it is. It is to have fewer debts. To have a lower debt at a time when production has not recovered its normal levels means a (?shortage) of supplies, in other words, a new burden on the shoulders of the popular sectors, which is not the alternative of this government. That is Pinochet's alternative, which after 8 years has not yet ended the state of emergency. This is not the alternative of a popular government.

The problem goes back to production and we agree with Jaime on this. However, one asks who is to blame if production has not recovered when the private sector owns 80 percent of this country's agricultural and industrial production and the government has been consistent in its policy of credits and foreign exchange? I don't think Jaime is acting responsibly when he says that there is discrimination and favoritism, when in fact I am giving him figures that he can confirm with businessmen and the Central Bank which show that there is no discrimination. The government has been completely reasonable. Part of the private sector hasn't been reasonable and has reacted politically.

I want to refer here to an aspect which Jaime has stressed. There is a climate of uncertainty. This climate of uncertainty essentially comes from those who haven't wanted to give this government the minimum period necessary to carry out the reconstruction. Even before the government was a year old, they called for elections, competition for power. Jaime, you haven't answered this. You don't want to give the great enterprise which is this country the 10-year period that you say your enterprises need to recover. The climate of uncertainty is essentially due to the fact that the opposition parties, the rightwing parties and some private enterprise sectors were demanding a struggle for political power even before the government was a year old. I think that since facts prove the truth, the truth is on my side.

[Montealegre] The problem is the direction indebtedness is taking us. We aren't asking that the level of indebtedness be reduced but that it be invested on projects that will enable the country to have a larger future capacity to pay in dollars so that we will have lower debt levels. Domestic production will in the medium term take us out of underdevelopment and resolve our social problems.

Regarding the solution, we have proposed a solution: the solution is that the government respect the national reconstruction government program and that it support its guidelines and its [word indistinct] and that Sandinist Front leaders not say irresponsibly that power won't be given to anyone because the people have it through them. Then we wouldn't be giving them just a 10-year period but a (?specified period). Which one? We all know the word: this would be a dictatorship. Therefore, the terms and situation must be clarified. If this isn't done there will be greater uncertainty.

I want to state that this country belongs to all Nicaraguans and not just to those on top. Therefore, all of us have the right to solve the problems jointly. I wish we would be given the opportunity to participate to a greater extent, because it seems that only a small group of people is able to make their opinions known.

[Jarquin] I would like to thank Jaime for this opportunity to debate him. I would like to conclude by pointing out the following: the debt we have contracted has been essentially for investment projects. I didn't present this as a big disclosure because in Commander Ortega's report to the State Council, he (?details cent by cent) the contracted debt and its destination.

However, the debt that we have contracted for investment projects has not been mobilized due to the country's very low capacity for construction. The country's current construction capacity isn't even 40 percent of that in 1977. And you

know why, Jaime? This is because almost all of this country's private construction capacity has fled. It is now in Honduras, Guatemala and Miami. It is unjust to ask this government--which was established amid the ashes, blood and [word indistinct] of our people--for investment capacity when the private sector--not you who have patriotically stayed in the country--part of the private sector fled with the country's investment capacity in the construction industry.

Therefore, Jaime, this is a destroyed country which needs the effort and cooperation of all Nicaraguans for its reconstruction. The [word indistinct] of the political process depends on the speed of the economic recovery. This is a law of the social sciences. However, if instead of making efforts to reconstruct the country, we call for a struggle for political power in 8, 9 or 12 months then we are frankly risking the viability of this revolutionary process within a framework of a mixed economy and pluralism as it currently exists.

CSO: 3010/1591

CABEZAS ASSERTS SANDINIST RIGHT TO POWER

PA162323 Managua Radio Sandino in Spanish 1200 GMT 16 Jul 81

[Excerpts] Thousands of fighters of the Interior Ministry pledged at the Espana Sports Stadium yesterday to act as true revolutionaries and Sandinists to prevail over any counterrevolutionary maneuver and to be loyal to the oath of free fatherland or death.

Commander Omar Cabezas, chief of the Political Directorate of the Sandinist National Liberation Front, spoke and said that the army, the police and security corps will continue to be Sandinist because they are on the people's side. Here is what he said:

[Begin recording] We, the fighters of the Interior Ministry, will never give up being politicians and, naturally, we will not fall into the trap that militarymen must not meddle in politics. Who led the revolutionary struggle in this country? Who took the lead in the war, in the insurrection in this country but the Sandinist National Liberation Front? Who suffered deaths in this country but the Nicaraguan people led by the Sandinist Front? Who bore the main share and burden in the defeat of the dictatorship but the Sandinist Front?

And now that we have defeated the dictatorship, they come and tell us that we must not have a Sandinist police force, or a people's Sandinist army or a Sandinist Interior Ministry. This would be tantamount to having struggled in vain or to relinquishing power.

CSO: 3010/1591

PRESS REMINDED AGAINST REPORTING ON PASTORA

PA151200 Managua Radio Sandino in Spanish 0300 GMT 15 Jul 81

[Text] Some communications media have been shamelessly manipulating the decision of Commanders Eden Pastora and Jose Valdivia, according to the director of communications media, Companera Michele Najlis.

In view of the malicious manner in which some communications media have manipulated the decisions of Commanders Eden Pastora and Jose Valdivia to contribute to the liberation of other oppressed countries, the Department of Communications Media this afternoon issued a statement.

It notes that such manipulations are designed to damage the image of both commanders, even to the risk of their lives; that moved by dastardly interests, such manipulations intend to jeopardize the internal security of our Sandinist popular revolution and the defense of our country.

The declaration adds that the distribution of such information and ill-intended commentaries violate Article 3, paragraph k of the General Law of Communications Media; and that, it being the duty of the Department of Communications Media to prevent violation of existing laws and regulations, by virtue of the powers granted by law it has decided to send this reminder to the mass communications media: any information or commentary on the decision adopted by Commanders Pastora and Valdivia must be verified with the Interior Ministry, as provided by paragraph k of Article 3 of the referenced law.

The note is signed by the director of communications media, Michele Najlis.

CSO: 3010/1591

PLANNING MINISTRY EXPERT NOTES ECONOMIC PROBLEMS

PA151640 Managua Radio Sandino in Spanish 0300 GMT 15 Jul 81

[Text] Edmundo Jarquin, an expert at the Nicaraguan Planning Ministry, said today that 90 cents out of every dollar that Nicaragua obtains from its exports have to be used to pay the oil bill and inherited foreign debts and interest. Reporting on the Nicaraguan economy after 2 years of the revolutionary process, the official said that national production has been reactivated by almost 100 percent except in the fields of beef, cotton and the chemical industry. He said it had been expected that inflation in 1981 would be 22 percent, but after evaluating the situation, it has been determined that the inflation rate is 27 percent.

Jarquin said that Nicaragua's inflation rate is below that of the other Central American countries, with the exception of Guatemala. It is also lower than the average inflation rate of the Latin American countries.

He added that employment goals have been met and surpassed, but private investments have not been satisfactory. Jarquin explained that the huge oil bill and the funds Nicaragua must use to pay the foreign debt and interest negatively affect the balance of payments. The Nicaraguan official said the government has had to make massive food and basic good imports to assure supplies to the people. He denied that production goals for staples haven't been met, as Nicaraguan private enterprise has said. In 1980 the staples production goal was met and surpassed. There is a deficit because national consumption has increased at a much faster pace than the revolution has been able to produce, he said.

The Planning Ministry expert declared that the government is subsidizing food, transport, electricity and water services, which all contributes to the deficit, but that the Nicaraguan deficit is smaller than that of other Latin American countries which haven't endured the destruction and sacking that went on in the country. He admitted that there are financial problems and lack of equilibrium in the country, but attributed this to the fact that Nicaragua inherited a fictitious financial system. All it received from the banks was their names, since they had been sacked.

CSO: 3010/1591

COMMUNIST UNION LEADER STRESSES LABOR UNITY

PA151700 Managua Radio Sandino in Spanish 1200 GMT 14 Jul 81

[Excerpt] Communist Union Leader Allan Zambrana has said that the Nicaraguan working class has reached the highest levels of organization in its history. After 2 years of revolutionary transformations, the Nicaraguan working class is organized like never before in Nicaragua's history, Zambrana told ANN. He is secretary general of the Labor Action and Unity Federation [CAUS].

Directed by the Communist Party of Nicaragua, CAUS is one of the eight labor and trade union organizations comprising the Nicaraguan Labor Coordination Organization, the united body created in November to forge the unity of the trade union movement under a single workers federation.

Zambrana, who is also the CAUS delegate to the State Council, a colegislative government organ, said that there is not a single working center which is not under the influence of the organized workers movement or which hasn't launched its struggle, one way or the other, to promote class interests within the revolutionary process.

After noting that the Nicaraguan working class was previously the victim of ideological confusion sown by the bourgeoisie and Somozism, Zambrana said that factory workers are characterized by a certain degree of awareness about the role they are supposed to play in the process through a direct link with modern production.

CSO: 3010/1591

BRIEFS

ARMED VESSELS GUARDING OPERATIONS--Carlos Coronel, minister of the Nicaraguan Institute of Fisheries, INPESCA, said at a news conference today the boats Carlos Tinoco and Giorgina will be returning to Corinto today, possibly in the afternoon. He also said that the dugout canoe which was seized with three fishermen, whose names he did not disclose, will also be returned. The minister said that in order to guarantee normal operation of fishing boats under the administration of INPESCA, a vessel armed with a .50-cal machinegun in its midsection and two .30-calibers on its sides has begun to operate. Minister Carlos Coronel explained that these vessels [as heard] serve to protect the activities of the boats and not to attack the boats of other countries. The minister said that these ships are operating under the authorization of the Defense Minister and that the Defense Ministry has already placed two other Coast Guard vessels into operation. [Text] [Report by Eduardo Estrada via telephone from Barricada office--live] [PA141930 Managua Radio Sandino in Spanish 1800 GMT 14 Jul 81]

GRAIN PRODUCTION INCREASING--Basic grain production in Nicaragua has been increasing. If we continue current production, the country will not have to import grain. Leonel Poveda, deputy minister of domestic trade, said that the ministry's policy is to supply the country with grain and control prices, favoring the working class. The government had to make a large investment last year to import and subsidize grain so that it would be within reach of all workers. The subsidy amounted to more than 700 million cordobas. This year the country has been able to somewhat recover from the problems in the production sector caused by the loss of two harvests due to the war. Imports this year have been lower, and subsidies in the first 6 months of 1981 amount to 25 million cordobas. Only beans, corn and rice are now being imported. These products are imported from Costa Rica, Mexico, Africa [as heard] and other friendly countries. The deputy minister said that production is increasing and that if there are grain imports next year, they will be very small. [Text] [PA141725 Managua Radio Sandino in Spanish 0300 GMT 14 Jul 81]

CSO: 3010/1591

BRIEFS

WALKER TO SANDINIST FETE--Lima, 18 Jul (AFP)--Peruvian writer Mario Vargas Llosa travelled to Managua today where he will represent the Peruvian Government at the celebration of the second anniversary of the Sandinist revolution which overthrew Anastasio Somoza. [Excerpt] [PY192034 Paris AFP in Spanish 2016 GMT 18 Jul 81]

BRITISH TRADE MINISTER ARRIVES--Great Britain is studying the possibility of submitting bids for the construction of the Olmos hydroelectric project in Lambayeque. The announcement was made by British Minister of State for Trade Cecil Parkinson who arrived for an official visit in Lima yesterday. His agenda includes meetings with President Fernando Belaunde Terry and state ministers. Parkinson also indicated his country's interest in participating in other areas of development such as agriculture, transportation, mining and energy. He said that Great Britain wishes to significantly increase trade with Peru. He added that trade has remained at about \$150 million per year "with a favorable balance for us." Minister Parkinson emphasized that the policies of the Peruvian Government to free imports and expand international trade have been well received by Great Britain. [Excerpt] [PY171733 Lima EXPRESO in Spanish 4 Jul 81 p 3]

EARTH TREMOR IN AYACUCHO--Lima, 11 Jul (TELAM)--A new tremor of regular intensity caused alarm among the people of Ayacucho. Ayacucho, southeast of Lima, has been affected by continuing earthquakes during the last few months. There were no victims or any important material damage in the latest earthquake however. The most severe shock occurred on 23 June with an intensity of 5.3 degrees on the Richter scale. That earthquake caused the death of seven people and material damage in Ayacucho and surrounding towns. [Text] [PY130145 Buenos Aires TELAM in Spanish 2045 GMT 11 Jul 81]

LABOR CONFEDERATION WANTS STRIKE--Lima, 20 Jul (TELAM-ANSA)--The General Confederation of Workers of Peru (CGTP), which is oriented toward orthodox communism, has proposed a national stoppage for 19 and 20 August in response to what it considers the anti-people policy of the current constitutional government. In a general assembly of delegates the union leadership reiterated its decision to paralyze work with the help of some 2 million workers. Meanwhile, the Peruvian capital continues to be submerged in thousands of tons of garbage at the end of the fourth day of an indefinite general strike by the public sanitation service employees. The strikers--some 50,000 nationwide, according to union leaders' claims--are demanding the rehiring of 443 workers who were dismissed by Trujillo

Municipality, north of Lima. In Lima the accumulation of garbage is steadily becoming worse, while in the suburbs the situation is termed intolerable due to the threat of a big epidemic. [Text] [PY220300 Buenos Aires TELAM in Spanish 0430 GMT 20 Jul 81]

SUBVERSIVES ATTACK PREFECT'S RESIDENCE--Four bomb attacks were perpetrated against the residence of the Ayacucho prefect, (Marcelo Cadell Infante), last night and early this morning. [Words indistinct] attack took place at 2230 last night when about (715) unidentified persons threw six molotov cocktails against the main door of the prefect's residence located on [name indistinct]. The attackers shouted menacing words and slogans such as: long live the revolution. They immediately exploded three gasoline bottles and then three more. The main door of the house caught on fire and the prefect's family members experienced a very tense situation. The aggressors, who probably belong to the so-called shining path group, then set two tires on fire at the street intersections obstructing traffic for a few minutes. This is the second attack on the prefect's residence. [Excerpt] [PY212129 Lima Domestic Service in Spanish 1200 GMT 21 Jul 81]

BELAUNDE TO ADDRESS CONGRESS--President Belaunde announced yesterday that the message he will deliver to congress on 28 July will be short. He said he will comply with the constitutional requirement of reading his message even though he would have preferred to make an impromptu speech. He made it clear that his speech will be short because early in August he will issue a thoroughly written book on his first year of government and of its future prospects. He said the book was written with the help of government experts and of journalist (Patricio Ricet). The presidential message will be centered on economic issues and on recently promulgated laws. The president also announced that he will meet with leaders of the General Confederation of Workers of Peru (CGTP) today from 1900 to 2000 at Government Palace. He said that issues related to labor and economic problems will be discussed. He pointed out that the central issue will be the strike called by the CGTP for the second half of August. [Text] [PY201900 Lima Domestic Service in Spanish 1200 GMT 20 Jul 81]

CSO: 3010/1594

CENAC REPORTS ON AID OFFERS

FLO22202 Bridgetown CANA in English 2148 GMT 2 Jul 81

[Excerpt] Castries, St Lucia, 2 Jul (CANA)--St Lucia's prime minister, Winston Cenac, today reported to his countrymen on the outcome of a recent North American tour and announced that he had elicited pledges, commitments and indications of interest totaling 92 million dollars (1 EC dollar; 37 cents U.S.) to St Lucia from aid donors. Cenac said that in addition the Caribbean Development Bank (CDB) had pledged some 54 million dollars for investment in St Lucia over the next 5 years.

Cenac, who was on his first extensive tour since assuming office 5 May, visited Washington for a Caribbean group meeting then going on to Canada and New York to meet aid donors and address St Lucian migrants.

In Canada he said he discussed with government officials a number of projects which had been long delayed and which were vital for St Lucia's economy. Cenac also revealed that for the first time, the Netherlands and Finland had offered to finance health, housing and port development projects here.

Some of the major projects which Cenac announced include the construction of a dam in the Roseau Valley just outside here to be financed by Britain, Canada and the CDB to the tune of 22 million dollars, a road linking Castries to the town of Soufriere costing 18 million dollars to be financed jointly by the UN Development Program and the CDB, and a fisheries complex to be built at a cost of 7.5 million dollars with funds from Canada and Venezuela.

Canada had also expressed willingness to supply funds for the upgrading of the island's two airports, while the CDB had committed funds for projects ranging from a Freeport industrial zone (3 million dollars (U.S.)).

CSU: 3025/1023

BRIEFS

HEALTH MINISTER CONFIRMED--Kingston, St Vincent, 10 Jul (CANA)--A new minister of health, Mr Peter Ballantyne, has been appointed in St Vincent Government. [as received] According to a government release, Mr Ballantyne, who acted as health minister following the 21 May resignation of Mr Randolph Russell, has now been confirmed in that position. The youthful parliamentarian, who entered active politics prior to the December 1979 general elections, is the representative for the North Windward constituency. [Text] [FL101538 Bridgetown CANA in English 1529 GMT 10 Jul 81]

TANNIS REJECTS CHARGES--Kingston, St Vincent, 27 Jul (CANA)--St Vincent's Deputy Prime Minister Hudson Tannis has dismissed charges from government's critics that the country is in a chaotic economic state. Mr Tannis was at the time debating the 127.88 million dollar budget for the 1981/82 fiscal year. Mr Tannis, who is also the foreign affairs minister, told Parliament during the 1981/82 budget debate that there was much strength in the economy despite two recent natural disasters (Hurricanes David and Allen which disrupted the main banana crop and flattened buildings across the island). "If the economy was unhealthy," Tannis said, "then we would not have been able to give increases in salaries for public servants amounting to over 12 million dollars (one EC dollar; 37 cents U.S.). The deputy prime minister said that construction works involving the Campden Park industrial site, the Diamond Dairy Company and the Mount Bentick sugar factory, are among the host of areas that reflect government's concern about the expansion and development of the economy. Opposition leader Randolph Russell, who resigned as health minister in May, has been among the leading critics who have accused government of managing the economy badly. [Text] [FL271707 Bridgetown CANA in English 1657 GMT 27 Jul 81]

SUPPORT FOR UNIFIED OPPOSITION--Kingstown, St Vincent, 2 Jul (CANA)--Deputy leader of the People's Democratic Movement (PDM) Parnell Campbell says there are serious practical problems which have to be removed if a serious unified opposition to the Milton Cato administration can be formulated. Mr Campbell was reacting to the suggestion by People's Political Party (PPP) leader Clive Tannis for the opposition parties to unite against the government. The United People's Movement (UPM) and the Working People's Party (WPP) have indicated that they favor a unification plan. Mr Campbell said he would be following plans for a unification of opposition forces. But he added that what was needed was the emergence of a new political party which included people "of a united view and who have been

relatively untainted by past political activity." Said Campbell: "Is there the political material around in all these opposition parties that is needed to bring St Vincent out of the rapid decline which it is experiencing? Even if people came together, will they stick together? "Even if they come together and stick together, will they be able to govern more effectively than the current Kingstown administration?" [Text] [FLO21916 Bridgetown CANA in English 1838 GMT 2 Jul 81]

CSO: 3025/1023

NEWSPAPER UPHOLDS CRITICISM OF GRENADA

FL271202 Bridgetown CANA in English 1610 GMT 25 Jul 81

[Text] Port-of-Spain, Trinidad, 25 Jul (CANA)--The commonwealth Caribbean would be better off with more government leaders in the mould of Eugenia Charles of Dominica and Tom Adams of Barbados, who are not afraid to speak out on matters of grave importance to the region, the TRINIDAD EXPRESS has said in an editorial. The paper was commenting on Miss Charles' outright condemnation of the Grenada Government's attitude to the media in particular and to human rights in general. She had said that the Grenada Government was wrong to prevent prominent journalist Alister Hughes from leaving the country for what she regarded as fake reasons. (Government said his tax records were under investigation.) The government also was wrong to stop publication (a month ago) of the independent THE VOICE newspaper, she said, noting that in her country there was a newspaper which told lies about her government, but that she had no intention to put a ban on it.

Said the EXPRESS: "No doubt there are other politicians, leaders of government, in the region who feel the same way as Miss Charles but they would prefer to hide behind such shibboleths as non-interference as an excuse to cast a blind eye on the most blatant infringements of basic human rights. "As Miss Charles put it, they would rather talk about matters in countries far from home but ignore what was happening in their neighbor's yard."

Miss Charles, the paper said, was sensitive to the fact that her outspoken remarks would not make her popular in St Georges, but she did not care if she was referred to as a "yard fowl," the appellation conferred by Mr Bishop on Barbados Prime Minister Tom Adams when he last November spoke of the need for promised free elections in Grenada. Said the paper: "It is possible that by her outspoken comments, Miss Charles has introduced a new dimension into commonwealth Caribbean politics. "Indeed, her remarks have come like a breath of fresh air in an area where fear of causing offense has reduced the impact of the Caribbean community to the point where Caricom Day comes and goes without anyone noticing the event.

"Is it not better that the Caribbean community face up to the fact of having a mongoose in the backyard and deal with it than look the other way?" This the EXPRESS said was the mistake that Grenada Prime Minister Maurice Bishop himself, in the days when he was out of power, accused the Caribbean of making in relation to his predecessor, (ousted in a 1979 coup) Sir Eric Gairy.

The paper said that the Caribbean's silence then helped neither the region nor Mr Gairy. "Indeed it facilitated the revolution launched by Mr Bishop more than 2 years ago, presenting the Caribbean with a government and ministers so far above the rule of law that they can detain people forever without charges, close down newspapers, dream up reasons for preventing citizens from traveling, hound down citizens going about their lawful duties and create a climate of fear in which only those who can prate loudest about imperialism, counterrevolution, socialism, CIA and so on may prosper.

"We doubt that Miss Charles' comments will change the price of cocoa in Grenada. But by her conduct, she has shown Mr Bishop and his band that not everyone in the Caribbean is afraid of their skill at mauvais-langue and character assassination. "In Trinidad and Tobago, we have played the game with Grenada of not opening their official communication. "This may be considered to be diplomatic, but all it has done is help to institutionalize an authoritarian regime that makes a mockery of the regional commitment to the preservation of basic human rights."

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5, AUG 1981